

US HealthVest

August 3, 2018

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Karen Nidermayer, Analyst
Certificate of Need Program
Department of Health
111 Israel Road SE
Tumwater, WA 98501

CERTIFICATE OF NEED PROGRAM
DEPARTMENT OF HEALTH

Dear Karen:

Vest Whatcom, LLC has had the opportunity to review the public record on our application proposing to establish a new 70 bed psychiatric hospital in Bellingham, Whatcom County. The public support for our project was significant, compelling and widespread. A review of the public record confirms that our project meets all applicable certificate of need criteria.

Thank you for the opportunity to provide this final comment. We have appreciated the Certificate of Need's support throughout this process, and look forward to working with you to make this much needed project a reality.

Sincerely,



Martina Sze
Chief Development Officer



**REBUTTAL
TO
CERTIFICATE OF NEED APPLICATION
PROPOSING TO
ESTABLISH A 70 BED PSYCHIATRIC HOSPITAL
IN
WHATCOM COUNTY**

August 3, 2018

1. Introduction, Context and Affected Persons:

In June 2017, US HealthVest (USHV) submitted a certificate of need application to address the demonstrated unmet need for psychiatric beds in Whatcom and Skagit Counties. The application proposes a 70-bed psychiatric hospital which will be located in Bellingham. The hospital, which will be named Whatcom Behavioral Health, will serve residents of Whatcom and Skagit Counties age 5+. It is scheduled to open in January 2020.

The application was declared complete and placed under review in May 2018. A public hearing was requested and held on July 19, 2018. Consistent with WAC, this document provides UHSV's final rebuttal.

The public record contains nearly 60, largely personalized letters of support. All but a very few are in strong support of the new hospital. Many tell personal stories of efforts to secure needed treatment for a family member. Others are from professionals and social service providers expressing near exasperation about the lack of resources in the County, and the impact that lack has on the families they serve.

In addition, more than 80 persons signed in at the public hearing. Only three persons signed in as "opposed". Two of these individuals identified their addresses as Renton and Seattle; well outside of the service area. Both of these individuals are employed by SEIU 1199; one Edon Misgina as a Union Organizer and the other, Rachel Ersted as a Research Analyst. Copies of their LinkedIn profiles are included as Attachment 1. Finally, a letter of opposition was submitted by Christina Perry, a former Smokey Point employee, regarding concerns related to staff and patient safety. These issues were resolved following the March 2018 Department of Health survey.

Thirty-two persons testified at the hearing, with the vast majority overwhelmingly in support of the new hospital. One testifier, representing the Whatcom County Health Department identified great need, but sought assurance from the CN Program that the State's Medicaid funding for the proposed hospital will not jeopardize funding for their proposed Evaluation and Treatment (ENT) facility. The Health Department requested that the Department communicate with the Governor's Office to assure consistency with the Governor's vision of psychiatric services. For the record, USHV reminds the CN Program that in July of 2017, only 12 months ago, Governor Inslee was the keynote speaker at the opening of our Smokey Point Behavioral Hospital opening. Governor Inslee is a strong supporter of our model and its role in the delivery system. A YouTube video of his comment can be viewed at <https://www.youtube.com/watch?v=MgdNjki6qoM>

The only other substantive opposition came from SEIU 1199NW. Here, the record must reflect that SEIU's likely motivation is to advance its organizing effort at our Smokey Point hospital. SEIU orchestrated an employee complaint that triggered a complaint survey in March 2018. 100% of the issues raised in the survey were addressed to the satisfaction of state surveyors, and, since opening, Smokey Point has, at all times, followed all federal and state requirements. The record should also reflect that SEIU is targeting behavioral health hospitals. Its on-line blog includes a photo of it picketing at Navos. Navos is a King County safety net provider, dedicated to caring largely for the Medicaid population. A copy of the blog page can be found at Attachment 2.

Per WAC, rebuttal is limited to affected persons. SEIU does not meet the definition of an affected party (nor an interested party). Any rebuttal comment it submits must be rejected.

WAC 246-310-160 guides the regular review process and states:

(1) The regular review process shall not exceed ninety days from the beginning of the review period and shall be conducted in accordance with this section unless the review period is extended in accordance with the provisions of subsection (2) of this section.

(a) The public comment period shall be limited to forty-five days. The first thirty-five days of the public comment period shall be reserved for receiving public comments and conducting a public hearing, if requested. ***The remaining ten days shall be reserved for the applicant to provide rebuttal statements to written or oral statements submitted during the first thirty-five day period. Any affected person shall also be provided the opportunity to provide rebuttal statements to written or oral statements submitted during the first thirty-five day period.***

Under WAC 246-310-010(34), an "interested person" is defined to include only certain persons, including competing health care facilities in the service area, residents of the area served, and persons who regularly use health care facilities in the area served. "Affected persons" are a subset of interested persons who are located or reside in the service area, testify or submit evidence during the public hearing and comment period, and request to be informed of the resulting decision, per WAC 246-310-010(2). Interested and affected persons do not include individuals who are merely employed by providers within the service area; nor do they include organizations such as labor unions that represent such employees. SEIU 1199NW is not a healthcare provider or other qualifying interested or affected person as defined in WAC 246-310-010.

2. The Project Enjoys Exceptionally Strong and Widespread Support

The project received nearly 60 personalized and compelling letters describing the magnitude and the extent of the unmet need in the service area. Support came from patients and families, physicians and mid-level providers, mental health providers (MSWs, LICSW, PhD, LMHA, CMHS, MAs), Bellingham Whatcom County Housing Authorities, Sea Mar Community Health Centers, a number of school districts, Nooksack and Stillaguamish Indian Tribes, the City of Bellingham Mayor, NAMI, Skagit Regional Health, religious organizations, skilled nursing providers and Whatcom Community College. Excerpts from the letters are included below:

I am writing on behalf of Associates in Mental Health. Our group was founded in 1993 and currently consists of 25 masters and PhD level therapists. We are proud to be serving Bellingham and the surrounding area, and feel we have a great sense of the mental health needs within our region. There is much support for a local inpatient psychiatric hospital, both as a resource and a partner in meeting the mental health needs of our citizens.

We were interested to hear about US HealthVest's plan to expand behavioral health services in our area by opening a new hospital in Bellingham. We are supporting this application for a certificate of need because of the lack of access to inpatient behavioral health care in our community. There is a necessity to expand behavioral health services in Whatcom County, especially inpatient and crisis services, and we would welcome this hospital in our community.

Associates in Mental Health, June 12, 2018 letter signed by 25 members

When I first moved to Bellingham there was an inpatient facility, the Martin Center, where I had hoped to work, and it closed as well. I worked instead at the Whatcom County Triage Center, a short term option.... Frequently, there were situations where clients would have preferred a voluntary inpatient hospitalization, but the beds and resources are not available in Whatcom County. We also experienced situations where the triage center was used as an alternative for inpatient hospitalization, although we did not have the staffing or extent of resources many of these clients needed.

Currently, in my private practice setting, I have received referrals from Peace Health for adolescents following serious suicide attempts and discharge from the ER, when an inpatient hospitalization would have helped them to stabilize more quickly and receive the 24 support that was needed at the time. An inpatient psychiatric hospital in Bellingham would strengthen our community mental health resources, and I believe it would be utilized by residents not only from Whatcom and Skagit County, but from communities throughout the state.

Barbara Overson MS, LMHC, CMHS, BCB
Associates in Mental Health

Building this hospital in Whatcom county would be a step in the right direction and it's time to do the right thing for the people here in Northwestern Washington. This proposed hospital would include services for children as young as 5 years old, which would allow their families to be close by to aid in their recovery, something that is much harder to do from hundreds of miles away. As well as serving the youth population, this proposed center would also meet the unique and specialized needs of women and the geriatric population. In addition, Whatcom county and the surrounding areas are in great need of Substance Abuse support and Whatcom Behavioral Hospital would be an integral tool in stabilizing folks with addiction and psychiatric issues so they can get the help they need.

It is for all these reasons that I support the proposal to build Whatcom Behavioral Hospital.

Brandie Lourenco MA LMCHA

I am writing in support of US HealthVest's plan to expand behavioral health services.....

As a provider of affordable housing for lower income households we see the evidence of unmet treatment needs every day, both among too many of our residents and among our homeless population. Untreated mental health and substance abuse issues are a primary cause of housing instability and homelessness. It's heartbreaking to watch folks who are struggling to hold their lives together without access to adequate support spiral downwards, often losing their children and their homes.

Brien Thane, Director Asset Development, Bellingham Whatcom County Housing Authorities

I am supporting this application because I see critical need for psychiatric care. Families in our community experiencing mental health crisis have difficulty getting the help they need. Local treatment is too often deferred or denied, or families must travel far to access care. Convenient access to inpatient mental health care in the region is critically important for the overall health and wellbeing of any community. The provision of accessible inpatient psychiatric inpatient beds in the area is of vital importance without which, would negatively impact the continuity of care patients receive with local healthcare providers and law enforcement.

Christin McCausland, Case Manager, Sea Mar Behavioral Health

Over the past several years, our school district and others in the region have seen an increase in the number of elementary-age children with serious behavioral and emotional issues in our classrooms. Often times these children come to us with a history of multiple adverse childhood experiences and act out in ways that threaten the safety of staff and other students. The lack of accessible mental health resources to stabilize, diagnose, and plan for these children's needs leads to a cycle of exclusion and escalation.

Carl Bruner, Ed.D, Superintendent

I am writing in support of US HealthVest's Certificate of Need application to expand behavioral health services in Whatcom County....

We have found the Behavior Hospital at Smokey Point to be a great resource for our community as it is local and can serve as an outpatient facility as well. This facility has served our community from its inception. We look forward to having an additional facility in Whatcom County and one able to accept younger patients.

Dr. Lloy Schaaf

Assistant Superintendent, Stanwood Camano School District

I have worked within the behavioral health system for the past 10 years and have been a psychiatric nurse practitioner in the state of Washington for the past five years, working for both inpatient and outpatient organizations. I have worked with individuals in inpatient care who have had to travel five hours for psychiatric stabilization, removing the person from close vicinity to their families and friends who are the closest support to the individual. Majority of the time, individuals are placed in emergency departments and waiting to be assessed for several hours, which further creates distress for the individual, but also the emergency department staff. Establishing a psychiatric hospital north of Snohomish County would create quicker access to mental health care and minimizing the gaps for treatment.

I urge you to approve this certificate of need application. Thank you for addressing the issues of access to care for people in our community who need inpatient psychiatric and/or substance use disorder services.

Edward Ebert, ARNP

I have been in practice since 2007, seeing clients in both Island and Whatcom counties. We are in desperate need of inpatient beds and IOP services, particularly for youth and marginalized populations. At the moment, the closest behavioral hospital is in Smokey Point, which is over an hour drive away from Bellingham, where my practice is now. Smokey Point Behavioral Hospital is an amazing facility and was needed desperately - AND it's still not enough. Clients from Whatcom are unable to participate in family treatment, as the drive is prohibitive, both due to time and cost, including lost wages. Lake Whatcom house, which is closer, is often not reachable. They do not answer phone calls or return messages and clients with presumed bed dates show up only to be turned away and told they have no beds. They are overwhelmed.

I have sent clients all over the state of Washington, and to Oregon and Idaho to substance abuse treatment and trauma-informed co-occurring programs. I've seen clients lose pets, housing, jobs, vehicles, and more due to needing treatment that requires them to be out of state. Their lives are further interrupted and thus recovery is that much harder when support and services are not available in their home counties and towns. This increases the likelihood of relapse and therefore harm to clients.
Heather MC Brown, LMHC Green Light Counseling

I am encouraged to hear about USHealthVest's plan to expand behavioral health services by building a new behavioral hospital in Bellingham, WA. I support the expansion of these services because of the lack of access to quality inpatient behavioral health care in our community. We have been working with PeaceHealth to ensure a continuum of mental health services to our residents and support additional options.

There are currently only five beds in Whatcom County's Crisis Triage Center to serve clients facing acute mental health concerns with plans to increase to 16 beds, which is still sorely inadequate for a community of our size. Increased capacity for behavioral health services will allow local law enforcement and healthcare personnel to offer more options to individuals they encounter who have acute behavioral health concerns, providing a better alternative than incarceration and linking those individuals to appropriate care.....
Kelli Linville, Mayor, City of Bellingham

....There is a necessity to expand behavioral health services in Whatcom County and I would welcome this hospital in our community.

As a family member of a young adult who needed 9 weeks inpatient treatment at the age of 12 I understand the difficulties, both financial and emotional, involved when a child's only access to treatment is 100 miles away. In my case, I had to make the decision to leave the family residence and another school-aged child at home so I could support in my daughter's treatment in Seattle.

As a NAMI Family Support Group facilitator and NAMI Family-to-Family teacher, I have heard too many times about the difficulty of obtaining treatment in Whatcom county. Not all families have the resources to travel and support loved ones who are hospitalized out of the county. This deprives individuals who are sick and suffering of the support that they need to get well.

Kim Sauter, Director, NAMI Whatcom

I have practiced in Bellingham for over 36 years as a clinical psychologist with the community psychiatric clinic (Whatcom Counseling and Psychiatric Clinic prior to it being Compass Health) and then independently. For 16 years I was the CEO of Associates in Mental Health, the longest established group of mental health professionals in Whatcom County. It has been an extremely frustrating experience trying to place mental health patients in local, hospital based inpatient treatment centers because of the limited psychiatric beds available. Almost all of my referrals are sent to Seattle, 100 miles away, when there is a bed available, which puts undue stress on the patients' families because of the cost of travel and the need to take off of work to visit patients. Currently there are no local facilities for children to be treated for mental health disorders. My area of specialization for over 40 years has been eating disorders often co-morbid with anxiety, OCD and depression and to receive inpatient treatment for this my patients are often referred out of State.

Richard Spitzer, Ph.D, Clinical Psychologist

I am writing in support of US HealthVest's Certificate of Need application to expand behavioral health services in Whatcom County...

It has been almost one year since their facility in Smokey Point opened up and they have been a real positive asset to our community. We meet and collaborate with them regularly and they have helped to take care of the mental health population in our area which has been previously underserved.

Michelle Sand, MSN, RN, NEA-BC, VP /CNO, Skagit Regional Health

Our church deals with more and more people who need advanced mental health care. A recent influx in calls for care, help and intervention have shown us the critical shortage for this need. CTK fully supports the need for this critical service.

Pastor Grant Fishbook, Lead Teaching Pastor, Christ the King Church

I moved to Bellingham almost two years ago and work in the role of Director of Nursing Services; I have been stunned by the lack of mental health services available in Whatcom County. The extremely limited number of geriatric psychiatric beds is detrimental to the community I serve. I am aware of many instances when our fragile, elderly residents are kept in the emergency department, of the only hospital in Bellingham, due to a lack of geriatric psychiatric beds. Psychiatric services are not provided while they are in the emergency department and we receive phone calls almost daily attempting to transfer them back to the facility without any medical intervention to stabilize them. If a geriatric psych bed is located it is often down south an hour or greater driving distance which is a hardship for loved ones; many spouses of our residents are elderly and fragile themselves.

Patricia K, Kimmel, RN Director of Nursing Services St. Francis of Bellingham

*I've been in private practice working with children and adults In What.com County for approximately 4 years. In that time, I have sent numerous clients to the ER or had their parents accompany them to the ER for suicidal ideation and/or gestures as they were a threat to themselves and sometimes others. In every single instance, clients and their families were told by ER workers, **DMHPs** or hospital social workers, that there were no beds available for Inpatient psychiatric services that would support their crisis level of need. in at least 3 instances, this "wait it out" approach to teen suicidal gestures/ideation has ended in a loss of rapport between this therapist and the client due to an inability to support the level of need and an overall dissatisfaction with crisis mental health services in Whatcom county. Loss of support during a crisis can not only be detrimental but potentially deadly.*

*Despite brainstorming with onsite ER staff, **in every instance, no accommodations were offered because all beds were filled statewide.** Thankfully, to my knowledge, none of the lives of my clients have been lost **but it is simply a matter of time as the need for crisis services is not being met in our community or even in nearby communities.** For my most vulnerable clients, I have worked diligently to connect them with residential care **out of state**, so that their needs can best be met.*

Tracie Smith, LMHC, ATR-BC, CCTP Licensed Mental Health Counselor Board Certified Art Therapist Certified Clinical Trauma Professional, Private Practice

The proposed 70-bed psychiatric hospital will help provide much-needed psychiatric services in our community. WCC is pleased with US HealthVest's stated commitment to serve those in need regardless of ability to pay.

National research indicates that mental illness is on the rise on college campuses. Communities such as ours lack appropriate levels of resources and services to address mental health needs of students. At Whatcom, our Behavioral Intervention Team refers students in crisis to the PeaceHealth St. Joseph emergency room, or psychiatric assessment several times a year (3-9 students per year is typical). Regularly, students are sent home under dire circumstances, and told to contact a non-emergency provider because they are not in immediate danger of harming themselves. Having additional psychiatric services would greatly improve our community's ability to care for individuals needing urgent assistance, here in their own community.

WCC understands the increasing need for behavioral health services. In 2017, the College began a chemical dependency professional certification program for licensed professionals currently working in the mental health field. In the fall of 2018, the College will begin to offer a Chemical Dependency Professional Associate in Science (AS) degree and certificate program. WCC hopes that Whatcom Behavioral Health will become a valued partner as a clinical site for our students, as a partner on college advisory committees and supporter of our programs.

Dr. Kathi Hiyane-Brown, Ed.D, President

Mental Health Treatment in this community is lacking. Our community will reap the benefits of the proposed facility. This 70-bed hospital will only skim the surface of Whatcom Counties mental health needs, but it is a start. Without mental health hospitals and treatment facilities people will continue to suffer, suicide rates will rise, unemployment will surge, the homeless community will increase, and our jails will continue to be overcrowded with people who don't belong there. The proposed hospital is a ray of hope to assist a population that is unfortunately rapidly growing in our community.

Robyn Gustafson

Our son was 17 and a senior in high school when he had his first psychotic break. In order to receive an evaluation and initial treatment, he was sent to Fairfax Hospital in Kirkland, an hour and 45 minute drive from our home. When he was released we were unable to locate a youth psychiatrist in our area for continuing care.

A second break occurred about 10 months later, when our son was 18 but did not have a diagnosis yet. While attempting to have him evaluated at the only current local hospital he acted up and an emergency room technician called the police and he was arrested. While in custody his condition deteriorated and a judge ordered a mental evaluation and treatment, to which the prosecutor added that he was not to leave Whatcom County for treatment. As the same local hospital that provides emergency care has limited behavioral health care and didn't have any beds available, our son spent 2 weeks locked in a cell until he could be released.

David Parker and Valerie Lyon-Parker Members of NAMI Whatcom

Throughout the past 8 years working in this community we have experienced a massive shortage of beds when our youth and adults are in need of a higher level of behavioral health care treatment. Currently, our resources are not adequate and the break downs within the fabric of our system are a huge liability and safety concern.

One example, is that when we have had suicidal youth they have often been told they have to travel to Yakima to get inpatient services when they are acutely suicidal. Most families do not have the economic resources to travel there or to the Seattle area to access the higher level of care they need. Many cannot afford the gas nor do they have vehicles that can make it long distances; furthermore, our public transportation system is inadequate. Often, the resources (i.e., adolescent inpatient facilities) in the Seattle area have told us "we have one bed left but we are saving it for someone in our county," even after begging that they admit the acutely suicidal youth we are calling with. The youth in our county do not have inpatient access to behavioral health services when they require a higher level of care. Very often they go without the treatment they need and deserve. With rising suicidal ideation, intent and plans we are in the middle of a behavioral health crisis, state of emergency and impending youth suicide epidemic if something does not change immediately.

Dr. Erika Creydt, MA, PsyD, LMHC, Clinical Director, Touchstone Behavioral Health

I have been providing mental health services in Whatcom and Skagit Counties since the late 90's and I have witnessed first-hand how connecting with emergency psychiatric care or substance abuse care for my patients is quite challenging at best. St. Joseph's Hospital is often full and many of my patients have had to wait for hours in the ER to be evaluated and then turned away for lack of available beds, They do their best to accommodate the vast needs but unfortunately the needs often outweigh the availability of inpatient services here in Whatcom County.

There have been times when my patients have been discharged and sent home which was clearly a poor clinical decision. There was even one time when one of my patients agreed to be transported from my therapy office to the ER by a kind Law Enforcement Officer, unfortunately it was 12 hours later that I finally connected with the physician who was in King County and had not ever seen him, but she determined that my patient was "embellishing" and "malingering" was clearly not the issue. Needless to say, I had quite a spirited discussion with this physician who clearly did not have the best interest of my patient in mind. I advocated for him whom I had worked with for years. He was a Veteran and I knew at his symptoms were authentic and he was truly in a very serious decline psychiatrically. Thankfully the doctor heard my plea and finally relented. My patient was hospitalized for two weeks for stabilization due to the severity of his mental health issues. This was the correct clinical decision.

Bridget C. Cantrell, Ph.D, Cantrell Counseling & Associates, Inc.

I have been working in the Mental Health field in Snohomish County for over 30 years. Just as in Whatcom County, our area was also very short on resources of hospitalization for psychiatric needs. The HealthVest facility that was opened in Snohomish County has filled a huge void by providing the crucial services they are now hoping to replicate in Whatcom County. Representatives from HealthVest worked with myself and others from a local Native Tribe where I previously worked. They were willing to listen and implement culturally appropriate recommendations. It was an interactive, respectful and responsive experience. The availability of this resource in the local area has been invaluable for a long unmet need. In addition, having a resource so local has improved client care as many people do not want to go so far from home or their community that family is unable to visit. The Tribal community is very connected locally and as such having a local resource has increased the access to appropriate quality care.

Lori Hartelius MS LMHC CMHS MHP Director of Health Services Stillaguamish, Tribe of Indians

3. The Health Department's Comments are Misguided: This Project is Consistent with Policy Intent and will Support and Enhance the Delivery System.

In its public comments, the Whatcom County Health Department raises several concerns involving the availability of public funding for psychiatric services. Those concerns are mistaken and misguided. Washington's mental health system faces a variety of challenges presently and in the years ahead, including the need to expand access to both institutional and community-based care. The need for a multi-pronged approach to improving care and access for patients in the Whatcom-Skagit service area does not provide any basis for delaying or blocking a project that will serve the undeniable need for inpatient services in the region.

As an initial matter, the Health Department expresses concerns about the classification of Whatcom Behavioral Health as an Institution for Mental Diseases (IMD), which will restrict the availability of certain federal funding. The Health Department is correct that Section 1905(a)(B) of the Social Security Act prohibits certain federal "payments with respect to care or services for any individual who has not attained 65 years of age and who is a patient in an institution for mental diseases" except for "individuals under age 21." That restriction is nothing new; the IMD exclusion dates to the advent of Medicaid in 1965. The CN Program has never used the IMD exclusion as a reason to block inpatient psychiatric hospital projects. Nor should it: while small facilities have certain areas of strength, larger psychiatric hospitals have a number of advantages over smaller facilities, including both programmatic advantages (for instance, the ability to maintain separate specialized programs, more tailored group therapy sessions, etc.) and economies of scale (for instance, lower administrative costs per patient, the ability to have specialized staff for various patient populations, etc.). While the source of patient payments is clearly germane to a CN application, USHV has already fully explained the expected payor sources for its services at Whatcom Behavioral Health, including the expected portion of Medicaid revenues.

The Health Department's comments also obscure the availability of Medicaid services for many patients age 21 to 64 through Medicaid managed care. The Legislature properly budgets for state dollars to fund appropriate services in psychiatric facilities classified as IMDs, through the regional behavioral health organizations (BHOs) contracted to administer those programs.¹ In fact the state is actively seeking to expand such services, and federal funding for those services, through the Medicaid waiver program.² Long term civil inpatient services will also be integrated into the managed care Medicaid model beginning in 2020 in a manner that maximizes the available federal funds.³ The State's expanding reliance on managed Medicaid helps to reduce the burden of inflexible federal rules such as the IMD exclusion, thus ensuring access to care for all Medicaid recipients across the entire continuum of care.

In fact, USHV's existing hospital at Smokey Point is serving a larger Medicaid patient population than we had projected, pointing to both the striking need for such services and the availability of funding to meet the need. USHV has demonstrated an ongoing commitment to provide quality care to vulnerable patient populations including persons with mental illness generally as well as children, seniors, veterans, and low-income individuals in particular.

The Health Department's stated concern that Whatcom Behavioral Health will require state funding for its ITA services is particularly counterproductive. The statewide need for ITA services has been well-recognized for several years, and is well attested in the record. Whatcom service area patients are often held in community beds awaiting available ITA placement, and transferred long distances outside the service area for involuntary stays. The State's duty and commitment to provide proper treatment to involuntarily detained persons does of course require that adequate resources be made available for those services. There is no evidence to support the Health Department's speculation that ITA services will come at the expense of other mental health funding. USHV's application fully supports that ITA services will be provided in a manner that meets CN criteria.

The Health Department also raises a concern that USHV's construction of a new psychiatric hospital might interfere with the County's planned construction of 16-bed units in a triage facility. Funding for "new crisis triage or stabilization centers" has been funded by the Legislature through a mix of state and federal dollars.⁴ USHV's private funding for the construction of Whatcom Behavioral Health will not interfere with the availability of state funding. Nor is expanding access to services a zero-sum game: to the extent that the Legislature may need to expand Medicaid funding in future biennia to ensure full funding for the utilization of services, that need simply reflects the current crisis in which residents have no access to the services they need. Given that the State is currently seeking to expand access in IMDs, smaller facilities, and community-based care, there is no reason to believe that the Medicaid program's funding will not be adjusted accordingly when those new services come online.

¹ See Laws of 2017, 3d sp.s. c 1 (SSB 5883, 2017-19 Operating Budget), §204(1)(f) and (g).

² Laws of 2018 c 299 (ESSB 6032, 2018 Supplemental Operating Budget), §204(1)(e).

³ Laws of 2017, 3d sp.s. c 1 (SSB 5883, 2017-19 Operating Budget), §130(9).

⁴ Laws of 2017, 3d sp.s. c 1 (SSB 5883, 2017-19 Operating Budget), §204(1)(e).

The Health Department notes recent policy proposals around smaller behavioral health facilities. But contrary to the basic thrust of those comments, the public policy of Washington is in fact to support the expansion of access to inpatient and residential treatment in IMDs. Earlier this year the Washington Health Care Authority applied for an amended waiver for its Medicaid Transformation Project specifically for the purpose of expanding access to IMDs to treat substance abuse.⁵ As HCA stated in the cover letter to its amendment request, “Medicaid beneficiaries need more access to residential and inpatient treatment, not less,” and the State’s goal is thus to “encourage expansion of bed capacity[.]” Those public policy goals are fully in line with USHV’s application.

Finally, the Health Department expresses concern that Whatcom Behavioral Health will add to the need for mental health jobs in the area. Given the statewide need for expanded access to mental health services, staffing new facilities is an inevitable challenge. However, USHV’s application adequately addresses staffing and the plans to attract and train staff to provide the necessary care. Those plans were further buttressed by the public comments, which emphasized both the ability of USHV to attract talent from outside the state and the ability of local educational institutions to provide training to the local workforce (see earlier excerpt from the letter of support from Kathi Hiyane-Brown, President of Whatcom Community College). Whatcom Community College has established a certification program for chemical dependency professionals and will add an associate degree and certification program in the fall. Those programs will provide additional sources of qualified local personnel for Whatcom Behavioral Health.

4. SEIU’s Issues Relate Solely to its Intent to Organize USHV’s Smokey Point Behavioral Hospital. Many of the issues raised by SEIU were inaccurate.⁶ The Issues from the Complaint Survey that SEIU Orchestrated have been Addressed. Patients Were Never at Risk.

SEIU’s concerns can be categorized as falling into three areas: a recent state and federal survey, financial issues, and employee issues.

▪ Survey and Plan of Correction

As SEIU notes, in March 2018, a Department of Health survey team conducted a simultaneous federal Medicare survey and state health and safety licensing survey at USHV’s existing facility in Washington, Smokey Point Behavioral Hospital. That survey was Smokey Point’s first annual survey, and also included an assessment of an anonymous complaint. The surveyors issued two findings of immediate jeopardy, both of which were resolved and removed prior to survey exit.

⁵ Healthier Washington Medicaid Transformation Section 1115 Waiver Amendment Request (March 2, 2018), online at <https://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Waivers/1115/downloads/wa/wa-medicaid-transformation-pa2.pdf>.

⁶ Notably, the complaints footnoted on pages 6-7 (Footnote #10: Case 2018-2627, Footnote #12: 2018-4525, Footnote #13: 2018-2841, Footnote #19: 2018-2823) have not been received by Smokey Point Behavioral Hospital and were not placed in the record by SEIU.

The survey was completed on March 15. State and federal Form 2567 statements of alleged deficiencies were issued on April 12.

On April 20, Smokey Point completed and submitted its plan of correction addressing each of the alleged deficiencies, detailing how each deficiency would be resolved and how future compliance with state and federal regulations would be monitored to prevent recurrence. The Department and the Centers for Medicare and Medicaid Services accepted Smokey Point's plan of correction. The plan was fully implemented and all alleged deficiencies fully resolved by May 23, 2018. At the date of writing, Smokey Point's license is in good standing and the hospital is in substantial compliance with all state and federal regulatory requirements.

▪ **Financial issues**

SEIU raised issues related to financial reporting. As the CN Program is aware, Smokey Point Behavioral Hospital opened just over a year ago. As such, the hospital is in the process of finalizing all year end reporting to the Department of Health including quarterly and year end filings. In addition, related to the rate of cost to charges referenced in the SEIU public comment submittal, USHV notes for the record that two of the five hospitals referenced are very highly Medicaid and a 3rd has both detox and psychiatric beds. The most comparable hospital to Smokey Point is Fairfax Hospital and its cost to charge ratio is lower than Smokey Point's. USHV will be filing its reports and intends to be fully transparent. Finally, Smokey Point did agree to a charity care condition on its certificate of need and is following its Department of Health approved charity care policy. USHV believes that the CN Program will conclude that these arguments have no merit.

▪ **Employee issues**

On page 6 of its comments (Issue #7), SEIU alleges that NLRB "is investigating [Smokey Point] for the wrongful termination of three . . . employees." We respectfully disagree with the allegations and SEIU's description thereof. However, US HealthVest notes that it has reached a settlement agreement with the three named employees. These employees accepted a monetary payment in lieu of reinstatement to their positions.

5. Closing

USHV believes that upon review of the all of the materials, in particular, the letters of support submitted to date, the CN Program will conclude that need for the proposed Whatcom Behavioral Hospital has been demonstrated and that USHV is best positioned to meet this need. In fact, USHV's proposal will meet or exceed all CN requirements. Furthermore, is prepared, as it has done in other community's to establish a community advisory board.

Attachment 1
LinkedIn profiles for Edon Misgina and Rachel Ersted

Eden Misgina

Lead Organizer at SEIU Healthcare 1199NW

Summary

N/A

Experience

Organizer at SEIU Healthcare 1199NW

Eden Misgina

Lead Organizer at SEIU Healthcare 1199NW



[Contact Eden on LinkedIn](#)

Rachel Ersted

Treasury at Stripe

Summary

Treasury Analyst, Stripe | UC Berkeley '14, BA Economics | 2013 NCAA Division I Varsity 8+ National Champion | 2013 First-Team All-American | Three-Time PAC-10/PAC-12 Individual and Team Champion

Experience

Treasury Analyst at Stripe

May 2018 - Present

Senior Treasury Analyst at Box

September 2015 - May 2018 (2 years 9 months)

Part of a team of two that monitored Box's cash, foreign exchange movements, and capital structure. I was responsible for managing our global bank accounts, cash management banking relationships, and related international expansion activities.

Projects:

- ~ Draft and implement FY19 investment strategy
- ~ Manage global corporate card program
- ~ Pricing and FX related risk monitoring for new online sales currencies
- ~ Implemented new payment processor internationally
- ~ Monthly and quarterly SOX and debt compliance activities
- ~ Daily cash positioning and automation
- ~ Manage global travel for 1800+ employees, recognizing 10% in annual savings

Promoted to Senior Treasury Analyst, April 2017

Technical Sourcer & Recruiter at Box

June 2013 - September 2015 (2 years 4 months)

Technical Sourcer & Recruiter: June 2014 - September 2015

Recruiting Intern: June 2013 - May 2014

Education

University of California, Berkeley

BA, Economics, 2010 - 2014

Activities and Societies: Cal Varsity Women's Rowing Team, Alpha Chi Omega

Palo Alto High School

2006 - 2010

Honors and Awards

Varsity Coxswain, Cal Varsity Women's Rowing, Coxswain, NorCal Crew Team

Rachel Ersted

Treasury at Stripe



[Contact Rachel on LinkedIn](#)

Attachment 2
Image from SEIU 1199NW Blog



SEIUHealthcare.
United for Quality Care

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Blog

